

PARTS 900–901 [RESERVED]

PART 902—PUBLIC HOUSING ASSESSMENT SYSTEM

Subpart A—General Provisions

- Sec.
902.1 Purpose, scope, and general matters.
902.3 Definitions.
902.5 Applicability.
902.9 PHAS scoring.
902.11 PHAS performance designation.
902.13 Frequency of PHAS assessments.

Subpart B—Physical Condition Indicator

- 902.20 Physical condition assessment.
902.21 Physical condition standards for public housing—decent, safe, and sanitary housing in good repair (DSS/GR).
902.22 Physical inspection of PHA projects.
902.24 Database adjustment.
902.25 Physical condition scoring and thresholds.
902.26 Physical Inspection Report.

Subpart C—Financial Condition Indicator

- 902.30 Financial condition assessment.
902.33 Financial reporting requirements.
902.35 Financial condition scoring and thresholds.

Subpart D—Management Operations Indicator

- 902.40 Management operations assessment.
902.43 Management operations performance standards.
902.44 Adjustment for physical condition and neighborhood environment.
902.45 Management operations scoring and thresholds.

Subpart E—Capital Fund Program Indicator

- 902.50 Capital Fund program assessment.
902.53 Capital Fund program scoring and thresholds.

Subpart F—PHAS Scoring

- 902.60 Data collection.
902.62 Failure to submit data.
902.64 PHAS scoring and audit reviews.
902.66 Withholding, denying, and rescinding designation.
902.68 Technical review of results of PHAS physical condition indicator.
902.69 PHA right of petition and appeal.

Subpart G—PHAS Incentives and Remedies

- 902.71 Incentives for high performers.
902.73 PHAs with deficiencies.

- 902.75 Troubled performers.
902.79 Verification and records.
902.81 Resident petitions for remedial action.
902.83 Sanctions for troubled performer PHAs.

AUTHORITY: 42 U.S.C. 1437d(j), 42 U.S.C. 3535(d).

SOURCE: 76 FR 10149, Feb. 23, 2011, unless otherwise noted.

Subpart A—General Provisions

§ 902.1 Purpose, scope, and general matters.

(a) *Purpose.* The purpose of the Public Housing Assessment System (PHAS) is to improve the delivery of services in public housing and enhance trust in the public housing system among public housing agencies (PHAs), public housing residents, and the general public, by providing a management tool for effectively and fairly measuring the performance of a PHA in essential housing operations of projects, on a program-wide basis and individual project basis, and providing rewards for high performers and remedial requirements for poor performers.

(b) *Scope.* PHAS is a strategic measure of the essential housing operations of projects and PHAs. PHAS does not evaluate the compliance of a project or PHA with every HUD-wide or program-specific requirement or objective. Although not specifically evaluated through PHAS, PHAs are responsible for complying with nondiscrimination and equal opportunity requirements, including but not limited to those specified in 24 CFR 5.105, for affirmatively furthering fair housing, requirements under section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), and requirements of other federal programs under which the PHA is receiving assistance. A PHA's adherence to these requirements will be monitored in accordance with the applicable program regulations and the PHA's Annual Contributions Contract (ACC).

(c) *PHAS indicators.* HUD will assess and score the performance of projects and PHAs based on the indicators, which are more fully addressed in § 902.9: Physical condition, financial condition, management operations, and the Capital Fund program.

§ 902.3

(d) *Assessment tools.* HUD will make use of uniform and objective criteria for the physical inspection of projects and PHAs and the financial assessment of projects and PHAs, and will use data from appropriate agency data systems to assess management operations. For the Capital Fund program indicator, HUD will use information provided in the electronic Line of Credit Control System (eLOCCS), the Public Housing Information Center (PIC), or their successor systems. On the basis of this data, HUD will assess and score the results, advise PHAs of their scores, and identify low-scoring and poor-performing projects and PHAs so that these projects and PHAs will receive the appropriate attention and assistance.

(e) *Small PHAs.* A PHA with fewer than 250 units that does not convert to asset management will be considered as one project by HUD.

(f) HUD's *scoring procedures* will be published from time to time in the FEDERAL REGISTER for public comment.

§ 902.3 Definitions.

As used in this part:

Act means the U.S. Housing Act of 1937 (42 U.S.C. 1437 *et seq.*)

Alternative management entity (AME) is a receiver, private contractor, private manager, or any other entity that is under contract with a PHA, under a management agreement with a PHA, or that is otherwise duly appointed or contracted (for example, by court order or agency action), to manage all or part of a PHA's operations.

Assessed fiscal year is the PHA fiscal year that has been/is being assessed under PHAS.

Assistant Secretary means the Assistant Secretary for Public and Indian Housing.

Capital Fund-troubled refers to a PHA that does not meet the minimum passing score of 5 points or 50 percent under the Capital Fund indicator.

Corrective Action Plan means a plan, as provided in § 902.73(a), that is developed by a PHA that specifies the actions to be taken, including timetables, that shall be required to correct deficiencies identified under any of the PHAS indicators and subindicators, and identified as a result of a PHAS as-

24 CFR Ch. IX (4-1-14 Edition)

essment, when a memorandum of agreement (MOA) is not required.

Criticality means one of five levels that reflect the relative importance of the deficiencies for an inspectable item.

(1) Based on the importance of the deficiency, reflected in its criticality value, points are deducted from the score for an inspectable area.

Criticality	Level
Critical	5
Very Important	4
Important	3
Contributes	2
Slight Contribution	1

(2) The Item Weights and Criticality Levels document lists all deficiencies with their designated levels, which vary from 1 to 5, with 5 as the most critical, and the point values assigned to them.

Days mean calendar days, unless otherwise specified.

Decent, safe, sanitary housing and in good repair (DSS/GR) is HUD's standard for acceptable basic housing conditions and the level to which a PHA is required to maintain its public housing.

Deficiency means any finding or determination that requires corrective action, or any score below 60 percent of the available points for the physical condition, financial condition, or management operations indicators, and any score below 50 percent for the Capital Fund indicator. In the context of physical condition and physical inspection in subpart B of this part, "deficiency" means a specific problem, as described in the Dictionary of Deficiency Definitions, such as a hole in a wall or a damaged refrigerator in the kitchen that can be recorded for inspectable items.

Dictionary of Deficiency Definitions means the Dictionary of Deficiency Definitions document that is utilized in the PHAS Physical Condition Scoring procedure, and which contains specific definitions of each severity level for deficiencies under this subpart.

Direct Funded RMC (DF-RMC) means a Resident Management Corporation to which HUD directly provides operating and capital assistance under the provisions of 24 CFR 964.225(h).

Inspectable areas (or area) mean any of the five major components of public